Tells the Facts and Names the Names

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The Babbitt Probe

In mid-February Attorney General Janet Reno is scheduled to announce the appointment of another independent counsel, assigned to investigate Interior Secretary Bruce Babbitt. There willbe fresh outcries from the White House, particularly from the First Lady, that this is another facet of the vast conspiracy. But there is no doubt that Babbitt fully deserves such investigation. This probe will not concern 20 year old real estate transactions in Arkansas, or 23-year-old interns in the White House. It holds promise of at last exposing the manner in which retail politics have been practiced in the Clinton years.

On its surface, the Babbitt investigation is set to look at the circumstances under which the Interior Secretary intervened on behalf of five Minneapolis-based Indian tribes to protect their gambling monopoly in Wisconsin. Babbitt was apparently ordered to take this action by the son of a former Interior Secretary, Harold Ickes Jr, who is no doubt well aware that the Interior Department has always been one of the prime trading bazaars in the federal government.

The Indians Babbitt and Ickes worked for had given $300,000 to the Democratic National Committee, an act which Babbitt relayed to his long-time friend and former law partner, Paul Eckstein who had been retained as counsel by the rival Chippewa Indian tribe. Eckstein will be the chief witness against the Interior Secretary.

This Indian gambling dispute in Wisconsin, while unseemly, is relatively picayune in the amount of money and federal assets involved— maybe $25 to $30 million. That's is but a speck next to the vast payouts that have occurred in some of the Interior Secretary's weightier transactions on behalf of corporate America.

How does Babbitt's performance rate against such epic raids on the public purse? A conscientious independent counsel will not stop at Indian casinos. He (thus far at least they've all been male) will speedily discover that one shady deal at Interior flows effortlessly into another. The independent counsel will also discover that Babbitt was no lone peculator, but indeed part of a vast conspiracy ,directed from the White House, to sluice corporate money into the Democratic Party in exchange for rights to public assets held in trust by the Interior Department for the American people.

One of Babbitt's first acts was to pick as his chief of staff Tom Collier, a man who had worked with Babbitt at the large DC law firm of Steptoe and Johnson. Collier assumed the twin roles of gate keeper and enforcer at the Interior Department.

One of Collier's first crackdowns was on Jim Baca, maverick director of part of Babbitt's empire, the Bureau of Land Management. Baca had been aggressively campaigning to reform federal rangeland and mining policies and Baca was holding up mineral leases on BLM lands containing an estimated $64 billion-worth of gold, copper and silver. Under the 1872 Mining Law, the mining companies could acquire for all of these for less than $25,000.

The companies involved in this prospective deal included Barrick Resources, Homestake (the old Hearst company), Newmont and Phelps Dodge,

(Continued on page 6)

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Our Little Secret

Here at CounterPunch, the editors reckon it would not have been such a fine thing for Bill to go down on a sex matter (though our colleague Jeffrey St. Clair has issued a furious dissent on the subject). In our view the Puritans should never be encouraged, though we think impeachment for chief executives should be part of the regular political menu. Though CounterPunch thinks that blow jobs and cognate consensual activities should not bring impeachment or even disgrace in their wake, we also believe strongly in bringing our readers every detail necessary to form a rounded, well-informed view of national affairs. In that spirit...

The Good Old Days

Back in 1979 our friend Tim Hermach, now fearless leader of the Native Forest Council and breathing the righteous air of Eugene, Oregon, was a businessman seeking commercial advantage. This search took Hermach to Little Rock, Arkansas, where his associate Tookie McDaniel said the swiftest way of getting a certificate of origin necessary for a rebar deal was by conferring personally with the new governor of the state.

In short order a dinner was arranged with young Governor Bill at the Little Rock Hilton. Tim recalls that they were scarcely seated before Bill was greeting a pretty young waitress in friendly fashion, putting his hand up her dress while announcing genially to the assembled company, "This woman has the sweetest cunt in Little Rock".

Tim, an Oregon boy by origin, tells us he listened with burning ears and mouth agape as Bill talked of womanhood in terms of astounding crudity. Badinage notwithstanding, some business was transacted. Hermach tells us that Governor Bill "very openly, nothing shy about it, said words to the effect that our end use certificate would cost about $10,000", said transaction being of a personal, informal nature. "Since ours was a $2 million deal, we didn't care", Tim recalls.

Governor Bill also informed Hermach that they should go to the Stephens Bank the following day to complete all necessary arrangements.

These tractations concluded, Governor Bill repaired to the Hilton's nightclub with boon companions, where they cavorted lewdly with sundry flowers of Little Rock before repairing to bedrooms in the upper regions of the hotel.

Bill the Landlord

Before his election as state attorney general in 1976 Bill and Hillary had lived in Fayetteville, instructing youth at the University of Arkansas. To celebrate their marriage Bill had bought a small house, much disliked by his bride. Great was her relief when the voters' nod compelled their removal to Little Rock.

Now the small house on California Boulevard had to be rented to supplement the modest income of Arkansas' chief legal officer.

We have this account of Bill as landlord from a woman who, back in those years, was the best friend of one of the first tenants to pay the monthly check to the state attorney general in person.

In his self-appointed role as property manager Bill Clinton personally set the qualifications required to rent the property. Chief among them was the requirement to be young, attractive and blonde. Landlord Bill would show up regularly at 9 am Saturday mornings, the day of any home Razorback football game. He would invite one of the young renters to attend the game with him, and then spend the rest of the afternoon and evening together, exploring matters of mutual interest.

Bill developed a particularly keen interest in our source's friend, who happened to be from Dallas, of striking appearance and a cheerleader for the Razorbacks. Bill's Saturday morning arrivals at the house on California Boulevard were not welcome to the cheerleader. Nor were what she described as his incessant "gropings". Despite her reproofs Bill persisted, with such obstinate pertinacity that eventually she transferred to Texas A&M, where she found men of greater subtlety and refinement, such as College Station is deservedly famous for.

Party Time

Now we're in 1983 and Bill is back in the governor's manion in Little Rock, following the awful interregnum, when the voters banished him from office at the end of his first term. The bearer of our story here is the son of an Arkansas Democrat state legislator who passed his formative years in the Dog Patch state, and at the period we are now discussing, in the town of Fayetteville, where he was an officer in the university's student government.

In this capacity he helped plan a conference of student government officers throughout the state university system. Among the invitees were many of the big names in Arkansas' political life, including Governor Bill and also Jim Guy Tucker (whose political career came to an abrupt halt in the mid-1990s, courtesy of special prosecutor K. Starr).

What's a student conference without

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a party? Our friend tells us he had taken particular care to invite Governor Bill since he was notorious throughout Fayetteville for being a devotee of marijuana and our friend was eager to get stoned in such illustrious company. Both Clinton and Tucker signalled that they would gladly attend the gathering.

The conference opened with a formal speech by Governor Bill, and our friend noted that the attention of Arkansas' chief executive wandered somewhat during his oration, his eyes seeming to drift with increasing frequency to a nice-looking young woman sitting in the front row. Our friend left to make preparations for the party, which indeed turned out to be a most genial occasion. Joints were fired up, Jim Guy Tucker gracefully declined the offer of Ozark homegrown and responded to enquiries about Governor Bill's whereabouts with the news that Bill would assuredly not pass up revelry such as this. But the hours flew by and Bill didn't show.

Then our friend encountered a young woman from the University of Arkansas at Little Rock who asked if she could get a ride home to the hotel, confiding, "I don't know how to say this, but my room-mate's not here. I think she's with the governor". Our chivalrous friend drove her to the hotel and then, next morning, met her at a conference panel and asked how things had gone. She said her friend had not shown that night. An hour later who should appear but the attractive young thing our friend had seen the previous day drinking in the governor's honeyed words in the front row. She was wearing the same clothes. Her roommate greeted her with welcoming cries and in the girlish glow of confidence that followed, she boasted of prolonged and intimate parlays with the governor.

COKE AND CATHERINE

Now we're in 1984 and Bill is doing something entirely unique in his whole twelve years as governor of Arkansas. The state of New York has indicted and is seeking to extradite a 19-year old Little Rock resident named Catherine Nicole Cowan, who had been charged with trying to smuggle $30,000-worth of cocaine through JFK airport. The NYPD charged that Cowan was a leader of a cocaine ring operating at Choate Rosemary Hall, an elite prep school in Connecticut.

Clinton, for the first and only time, refused an extradition request. He said it would be "inhumane" to send Cowan back to face New York's drug laws, which he considered "too harsh". (This from the man who pulled the switch on Rickie Ray Rector to boost his standing in the 1992 presidential campaign and casually dined with actress Mary Steenburgen the night of the first execution in Arkansas after the Supreme Court legalized the death penalty.) Those probing New York's laws found that the maximum penalty for Cowan's offense was fifteen years. In Arkansas she could have have pulled anywhere from ten to forty.

Monica's lover's lawyer owns a yacht, a Lear jet and a French chateau.

Catherine Cowan's attorney in Arkansas was William R. Wilson, an old friend and leading campaign contributor to Clinton. In the crisis hours when Bill's brother Roger had been busted on cocaine charges (with Bill's foreknowledge), the governor retained Wilson to represent his brother. Inevitably, it was noised abroad through Little Rock that Governor Bill and young Catherine had enjoyed some fruitful exchanges.

THE SLUT-MAKERS

As Clinton's approval ratings surged to 70 percent, the question was being put by diviners-of-the-public-mood: "Monica—average girl or tramp?" More than 60 percent weighed in with the unkind "tramp" label, a view surely assisted by quiet White House maneuvers such as the sudden press conference, given only hours before the State of the Union address, by the wretched Andrew Bleiler, where the stage manager ungallantly confessed to his affair with Monica, told of her intrusive late-night calls to him and his wife, with the more damaging assertion that Monica had told him earlier that she was headed for Washington with the intent to "earn her kneepads with the President".

Those familiar with the politico-legal geography of the West Coast noted that the lawyer standing at the Bleilers' elbow was none other than Terry Giles, a lawyer from Rancho Santa Fe, California, who operates what is billed as the "largest criminal practice in California". Bleiler represents celebrities when the fall under the scrutiny of the law. His clients have included Richard Pryor, Robert Schuler the TV evangelist who was accused of slugging an airplane stewardess and basketball coach Jerry Tarkanian. Giles owns a Lear jet, a yacht, a $4.1 million home and a chateau in France. Giles is at least a $400-an hour lawyer, and Mr. Bleiler in his modest duties at the Performing Arts Academy would not have been bringing home much more than $16,000. By the way, in the last two years, Giles and his firm have given more than $200,000 to Democratic candidates and only $9,000 to Republicans.

In other words, a smooth piece of Lewinski-smearing had been put in train. There's nothing unfamiliar here to those who know the Clinton record. Back in July of 1992, long-time Clinton aide Betsey Wright was assigned the task of dealing with the problem of Clinton's sex life. Wright admitted to Michael Isikoff, then at the *Washington Post*, that she was monitoring twenty-six woman suspected of having sexual relations with Bill Clinton during his years as governor. Wright was fearful that such women would be lured into damaging confessions by the Star and the National Enquirer (one of whose libel lawyers back then, David Kendall, is now Clinton's own personal attorney) which were quite prepared to pay a $100,000 or more to extract confidences of a sensational nature. "Since the [1992] convention," said Wright, "the gold-digger connection is enormous. There's a whole industry being spawned. This is a Scud missile in American politics."

To help her in her task, Wright secretly hired, at $2,000, San Francisco-based private investigator Jack Palladino to rake up dirt on the women on Wright's list. In an attempt to disguise the connection to the Clinton campaign, the

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payments were funnelled through the Denver law firm of Clinton's friend and backer, Jim Lyons.

Probably Palladino's most crudely treated victim in this operation was Sally Perdue, a former Miss Arkansas who claimed to have had an affair with Clinton in the fall of 1983. Palladino dug up dirt on her sex life and floated a conspiracy theory about Perdue to the National Enquirer, saying that the young woman had been the tool of the New Alliance Party. The Enquirer duly headlined the story, "Wierd Cult Out to Destroy Clinton". Charming people, Wright and Palladino. Another woman from Oklahoma City, who said she had an affair with Clinton in the mid-1980s, was visited by Palladino shortly after she'd had an operation for a brain tumor. She changed her story and then Wright retained another firm to keep a 24-hour watch on her. Wright leaked to the press the dubious theory that the poor woman's brain surgery had given her a "multiple personality disorder".

List Making

By now, every news organization in Washington has compiled a list of women with whom Clinton is said to have had some sort of sexual encounter (both intra- and pre-White House). Among the news organizations we've privately canvassed, the size of the list ranges from a low of eight at one of the networks to about fifteen at a major news magazine.

The Washington Times has written that if such stories are true, "Mr. Clinton is an equal opportunity philanderer. He has been accused of bedding black women, white women, older women, women young enough to be his daughter, single women, divorced women and married women." The president's apparently eclectic taste is reflected in the names amassed by the news organizations. Included here are long-rumored partners such as Dolly Browning, one of Clinton's high school classmates, and three former Miss Arkansases, Sally Perdue, Lencola Sullivan and Elizabeth Ward Gracen.

Other women have surfaced more recently. These include two campaign stewardesses from Clinton's 1992 presidential run who ended up with White House jobs; a young woman close in age to Monica Lewinsky; Cathy Cornelius of Travelgate fame; Barbra Streisand; Shelia Lawrence, widow of Larry Lawrence, the former US ambassador to Switzerland who was briefly buried at Arlington National Cemetery; and the actress Markie Post, who has appeared on TV shows such as Fall Guy, Night Court and Heart's Afire.

One rumor making the rounds is that in 1993 when Clinton was getting his famous haircut on Air Force One, he was also entertaining Markie Post, thereby explaining his plane's excessive delay in departing from the Los Angeles airport. It's also being said that Hillary's knowledge of Bill's affair with Post is what provoked her to throw a lamp at her husband in the White House, a scene partially witnessed by Secret Service agents.

Some now believe it was Markie Post that kept Air Force One at LAX for two hours.

Our Little Secret was the first to inscribe on history's page Clinton's warm friendship with Shelia Lawrence, six weeks ago. We suspect more will be coming out about this entanglement because the glorious Mrs. Lawrence, we're told, has many enemies at the State Department who would love to see her name dragged through the mire.

It seems that when her husband was named ambassador, a post obtained through lush donations to the Democratic Party, Mrs. Lawrence demanded a presidential appointment as well. Her friend the president was only too happy to oblige, quickly naming her to the International Whaling Commission and to the World Conservation Union in Geneva.

Many at State were angry about both Mr. and Mrs. Lawrence's appointments, and their fury mounted as the latter demanded all sorts of perks and special favors from the government. On one occasion, she demanded that her favorite horse from her San Diego ranch be shipped to Switzerland at the government's expense.

The late husband of Shelia was in earlier life a slumlord in Chicago, before relocating to San Diego and buying the Coronado Hotel, where the imperishable Some Like it Hot was filmed. He was, on the fond account of a Friend of CounterPunch, a terrific party giver. Shortly before he succumbed to mortal illness, he gave a medieval feast at Crown Manor. Guests marveled at the medieval tableaus, with merrie peasants, blacksmiths and the like. Lawrence had secured the cooperation of medievalists and the blacksmiths, wymple folders and cordwainers could discourse knowledgeably about their trades, in phonetically correct middle English.

Losing It at the Movies

What about the Secret Service witness to a Bill-Monica clinch? As all the world knows, the Dallas Morning News hopped to and fro on this one, allowing Clinton supporters to claim that the story had no foundation.

But CounterPunch has it on an entirely reliable authority close to Kenneth Starr that there was indeed a sighting, in which a Secret Service agent came across the President and Monica in the White House movie theater. The two were alone and holding each other, while Warren Beatty's remake of An Affair to Remember flickered on the screen.

What Gennifer Said

In Gennifer Flowers' delightful tell-all memoir *Passion and Betrayal* she describes Governor Bill as a frisky. reckless lover, packed with caring passion.

"The main focus of our time together was sex, and it was sex, and it was on both our minds constantly. Bill wanted us to make love in his office in the Capitol building. He liked the idea of having sex on his desk or on the floor with all his staffers working right outside. I'm sure no one ever would have suspected anything was going on. Right. Especially Betsey Wright, his aide. I don't think her heart could have stood it. But I actually liked the idea, and one day, without warning, I made my way to his office with plans to fulfill his fantasy. Unfortunately, we met on the stairs as he was leaving for a meeting. He knew immediately why I'd come and the disappointment in his eyes was obvious." ■

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Delay's South Pacific Adventure

House Whip Tom DeLay has returned from Congress's winter recess bursting with vim and vigor, promising to press the Republican agenda with all available energy. DeLay's high spirits no doubt result from his use of the recess to fly with his family to the Commonwealth of the Northern Marianas, a chain of islands in the Pacific where the temperatures hover in the eighties year round. DeLay sloughed off the heavy mantle of legislative responsibility at a hotel where single rooms cost a minimum of $270 a night and which offers its own private beach and golf course. The latter has special appeal to DeLay, who is a prodigious duffer.

DeLay is one of six members of Congress to have visited the Northern Marianas during the past eighteen months. More than 70 congressional staffers and dozens of conservative think tankers and journalists have also made their way to the elysian islands. The junkets are being coordinated by the lobby shop of Preston, Gates, Ellis & Rouvelas Meeds, which the Commonwealth retained in 1996. The bill for the junkets—already topping $2 million—is paid for by Northern Marianas taxpayers.

The local government shells out the cash because it hopes to fend off a move in Congress that would subject the islands—a US territory whose residents have American citizenship—to the federal minimum wage. The current minimum wage in the Commonwealth is around $3 an hour, a rate which has attracted dozens of garment factories, mostly Chinese. The Chinese companies often bring along their own workers. CounterPunch has a contract that the Chinese government forces employees to sign, which states that while in the Northern Marianas they will not "participate in any political or religious activities" and, among other things, "may not engage in smuggling, prostitution, theft, gambling, drugs, fighting, excessive drinking, or watching pornographic videos. While working overseas, [the employee] may not date or get married."

Working conditions in the Commonwealth are awful, as reflected in the Philippine government's 1995 ban on workers going there, the first time ever that a foreign government barred its citizens from working on what is technically US soil. Thanks to the Commonwealth's territorial status, companies operating there can export their goods to the mainland with the coveted "Made in the USA" label.

No one has been more assiduous in supporting the Northern Marianas government than DeLay. In addition to his own year-end trip to the islands, five of DeLay's staffers have traveled to the islands as well. A number of prominent Commonwealth officials have visited with DeLay in Houston, where the congressman, we are told, has taken them on extensive tours of local golf courses.

In addition to Delay's own trip, five of his staffers traveled to the islands as well.

Business and political leaders from the islands gave DeLay $6,000 during the 1995-1996 election cycle, and donated another $21,000 to other Republicans. Bill Jarrell, a former DeLay staffer, now works at Preston, Gates, where his clients include the Northern Marianas government and the local garment industry.

It's not surprising, then, that DeLay has so enthusiastically supported the Commonwealth government and sweatshop operators. Last June, he and House Majority Leader Dick Armey—who also has a former staffer, Dennis Stephens of Preston, Gates, lobbying on behalf of the Commonwealth—wrote then Governor Froilan Tenorio to promise that Congress had "no intention" of subjecting the Northern Marianas to minimum wage laws. Late last year, DeLay also slipped an amendment into the 1998 Defense Department Appropriations bill that recommends that the US government authorize a controversial development plan on the island of Tinian (whence the Enola Gay departed to drop an atomic bomb on Hiroshima), which is largely controlled by the Pentagon.

It's not clear who is behind the development plan, but one person likely to be involved is Willie Tan, son of a Chinese banker and a local powerbroker with a finger in almost every pie. During DeLay's recent visit, Tan—who was fined $9 million in 1992 by the Labor Department for violations of US labor and safety law—threw a reception for the congressman.

The House Whip told the assembled guests, mostly local business leaders, that though he had only been on the islands for 24 hours he had already "witnessed the economic success of the CNMI and good will of its people". He denounced in harsh terms those supporting minimum wage laws in the Northern Marianas, including such wild-eyed radicals as Bill Clinton and Senator Frank Murkowski, as pawns of "big labor and the radical left". DeLay said that raising the minimum wage would "destroy the lives of the people here...Stand firm. Resist evil. Remember that all truth and blessings emanate from our Creator. God Bless you and the people of the Northern Marianas". ■

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a Phoenix-based company for which Babbitt performed notable service when he was governor of Arizona, bringing in state troops to break a strike. The combined contributions of these companies to the DNC exceeded $100,000 in the 1992 election cycle.

Collier ordered Baca to back down. Baca refused and was fired on February 3, 1994. Babbitt said Baca was let go because of "a difference in style". But Baca says this is a lie, and that he was booted out of the BLM because western Democrats at the federal and state level were "worried about fund-raising from those traditional extractive industries". As replacement for Baca, Babbitt and Collier picked Mike Dombeck, and it wasn't long before Dombeck (now head of the Forest Service) sent his sponsors a memo suggesting that the BLM could contribute to the great goal of deficit reduction by selling off 100 million acres of BLM land in Alaska to timber, mining and oil companies.

The independent counsel should also take a close look at the services Babbitt and Collier have done at Interior for their former clients at the firm of Steptoe and Johnson (to which Collier returned in the last six months). In December of 1995 Babbitt ordered the National Park Service to drop its opposition to a 72 per cent increase in cruise ship visits to Glacier Bay National Park in southeast Alaska. The Park Service believed the cruise traffic to be a threat to the park's pods of killer whales. The prime beneficiary of Babbitt's order was the Holland America Cruise Line, a client of Steptoe and Johnson.

Another Steptoe and Johnson client to receive kindly treatment from Interior's top layer was Canyon Forest Village, an enterprise backed by Disney money and run by a long-time Babbitt crony from Arizona, which is planning a huge 3,000 hotel room development with 300,000 square feet of retail space on the south rim of the Grand Canyon. The land for this 700-acre "environmental Disneyland" is coming in the form of a swap, whereby the US government will trade its South Rim real estate, worth an estimated $100,000 an acre, for 1,000 acres of desert scrub lands valued at less than $1,000 per acre.

One of the greatest scams of the Babbitt era is surely the Noranda Mining Company switcheroo outside Yellowstone National Park. Noranda hired former US senator Birch Bayh for $200,000. Bayh and Babbitt constructed a buy-out plan wherein Noranda would be given $45 million in cash and other valuable federal lands in exchange for returning its Yellowstone claim to the feds. The company purchased this same claim for $375. (Yes, this is no misprint. Three hundred and seventy-five dollars.)

Back to Alaska for the independent Counsel's next scrutiny of the Acts According to Babbitt: This was a smooth double-play, where the administration quietly lifted the 30-year ban on the export of Alaskan crude oil, with Babbitt announcing a short while later that he was opening the 23 million-acre Alaska National Petroleum Reserve to oil development. Thus is being given away a public resource which has been held against a future public emergency (which does not include the cash flow of the DNC). ARCO is the oil company standing to make billions from Babbitt's decisions here, a good return on $245,000 in contributions to the DNC in the Clinton era.

Now the independent counsel can move south to the redwood forests of northern California, where Babbitt's number two, John Garamendi is brokering a buy-out whereby Houston corporate scamster Charles Hurwitz will be given $380 million in cash, in exchange for a 7,000-acre redwood grove just south of Eureka. In a long line of astounding deals this could be the most profitable venture, not least because Hurwitz currently owes the federal government more than $1 billion, consequent upon his looting of a Texas-based S&L. The General Accounting Office has recently appraised the value of the Headwaters Grove to be less than $50 million. This is the type of magic Vernon Jordan can work. Hurwitz retained him to lubricate the Clinton administration, while Tommy Boggs was hired to navigate the deal through Congress.

Perhaps there is a reason why vice president Al Gore hired George Frampton as his attorney. Frampton was one of Babbitt's assistant secretaries at Interior until last year. Under the client-attorney relationship he will no doubt be inhibited from telling the independent counsel exactly what instructions were coming out of the White House in the first five years of the Clinton administration. Dick Gephard will be following developments with the keenest interest. ■

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Journalism for grown ups

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